



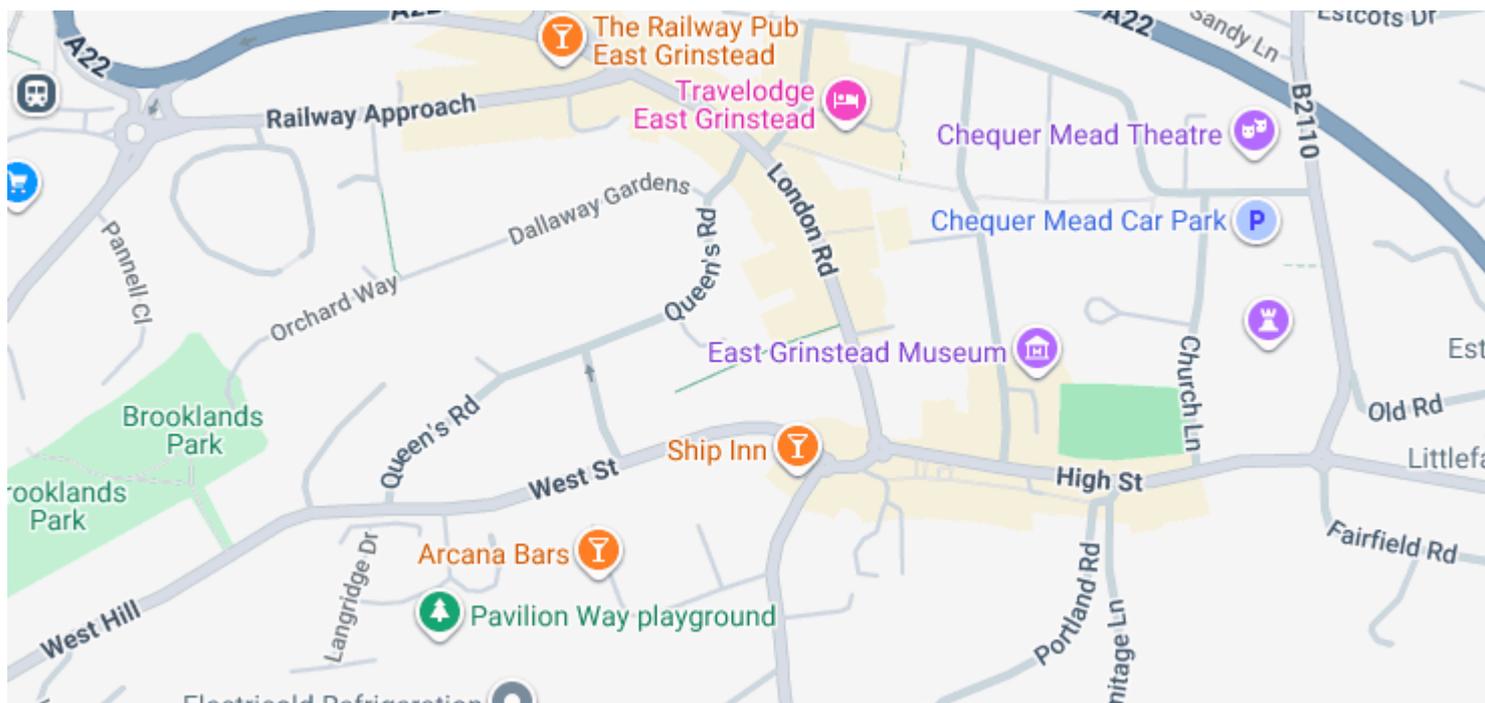
## Well Secured, South East Coffee House Chain Investment

 Queens Walk, East Grinstead, United Kingdom, RH19 4DW

FOR SALE 

£ 478,000 Subject to contract

### Location



East Grinstead is an affluent and attractive market town in West Sussex located approximately 43 km (27 miles) south of London, 34 km (21 miles) north-east of Brighton and 61 km (38 miles) north-east of Chichester.

The town is well connected with strong transportation links being situated on the A22 which provides direct access to London and Brighton to the north and south respectively. The M23 Motorway is accessed via Junction 10 which is approximately 15.5 km (10 miles) to the west which provides direct access to the M25 Motorway at Junction 7.

There is a direct rail service between East Grinstead and London Victoria with an average journey time of less than 1 hour and numerous daily bus services connect the town to the surrounding areas including Brighton, Crawley and Horsham. London Gatwick Airport is located approximately 14 km (9 miles) to the west.

Set within the High Weald Area of Outstanding Natural Beauty (AONB), East Grinstead enjoys a picturesque environment characterised by rolling hills, woodlands, and scenic landscapes. This attractive natural setting, combined with strong transport links and a vibrant town centre, makes East Grinstead a sought-after location for residents and visitors.

### **Retail in East Grinstead**

East Grinstead benefits from a range of national retailers who are attracted to the town by its excellent transport links, affluent demographic, and the attractive surroundings of the town centre.

The town's strong socio-economic profile, characterised by a high proportion of AB and C1 demographic groups (ONS, 2021 Census), contributes to robust consumer spending and supports a thriving retail environment. With an affluent population and a significant commuter base, East Grinstead's retail sector continues to flourish, drawing in a mix of established brands and independent operators.

London Road forms the prime retailing location in the town, benefiting from direct access to the town centre's main car park, ensuring high footfall and convenience for shoppers. This attractive and well-connected retail pitch has led to the presence of many national retailers along London Road and within Queens Walk, including Carlo Lounge, Pets Corner, Boots, Holland & Barrett, Crew Clothing, Fat Face, Costa, and Poundland, among others. According to PROMIS, East Grinstead maintains a low retail vacancy rate, reflecting the strong demand for retail space in the town and the resilience of its high street.

The main food and leisure offering is concentrated along the High Street, where established operators such as Caffè Nero, Pizza Express, and a variety of independent cafes, restaurants, and pubs contribute to the town's vibrant

leisure scene. This mix of national and independent brands enhances the town's attractiveness as a shopping and leisure destination for both residents and visitors.

## Summary

- Affluent South East location and popular commuter town
- Secure income – let to national coffee house chain Coffee#1 Ltd, wholly owned by The Nero Group
- Recently let on a new 10-year lease from January 2025
- Modern ground floor unit fitted out to a high-quality specification
- Situated below a luxury new build development of 129 residential dwellings
- £478,000, subject to contract
- 8.0% Net Initial Yield

## Situation

The subject property is situated on Queens Walk within the heart of East Grinstead town centre, just off London Road which is the prime retail thoroughfare.

Current retail occupiers within the vicinity include Pets Corner (adjacent), Carlo Lounge, Unite Fitness, Iceland, Peacocks, Boot Opticians, Card Factory and Waitrose to name a few.

Additionally, there is ample parking space available to the rear of the development which provides 164 parking spaces.

The unit is situated underneath a modern development, completed by Weston Homes in a project with an estimated GDV of £40m. There are 129 dwellings within the development that affluent professionals populate.

## Description

The property forms part of the Queens Walk Development by Weston Homes which benefits from a total 15,222 sq ft of commercial accommodation.

The five storeys above comprise a high-quality residential development, which has been sold off.

The subject unit is arranged over ground floor, with frontage onto Queens Walk and benefits from a full glazed double height frontage. Internally, the unit has been fitted out to a high standard by the tenant in accordance with their usual corporate style.

## Accommodation

The property provides the following approximate Net Internal Areas:

Ground Floor	157.94 sq m	1,700 sq ft
--------------	-------------	-------------

A set of floor plans is available to download.

## Tenure

Virtual Freehold (long lease expiring 27<sup>th</sup> December 3019 at a peppercorn rent).

## Tenancy

The property is let to **Coffee#1 Limited** on a full repairing and insuring lease for a term of 10 years from 31<sup>st</sup> January 2025, expiring on 30<sup>th</sup> January 2035. There is a tenant break option on the sixth anniversary of the term, subject to six months' prior written notice.

The tenant benefits from a rent free period until 30th November 2025, after which the rent payable is £34,000 per annum, rising to £40,000 per annum from 1<sup>st</sup> February 2027. The vendor will 'top-up' the income so that an investor benefits from an initial rent of **£40,000 per annum**.

The lease benefits from an upwards only open market rent review on 31<sup>st</sup> January 2030.

## Service Charge

The service charge budget for the year ending 30th May 2026 is £5,438.48.

In accordance with their occupational lease, Coffee#1 Limited has a current service charge cap of £3,551.90. The vendor will 'top-up' the difference of £1,886.58 by way of an appropriate adjustment on the completion sum in order that a purchaser does not suffer a shortfall.

Please refer to the service charge information in the data room.

## Covenant

Coffee#1 Limited has reported the following figures:

<b>Year Ending</b>	<b>31st May 2024</b>	<b>31st May 20223</b>
Revenue	£51,556,000	£44,698,000
Pre-Tax Profits	£6,151,000	£4,621,000
Net Assets	£25,961,000	£19,885,000

Founded in 2001, Coffee#1 Ltd is a UK-based coffee house chain with a strong presence across Wales, the Southwest, the South Coast, and parts of the Midlands. The company has grown significantly, expanding from 92 stores in 2019 to 119 as of May 2024.

In 2019, The Nero Group acquired a 70% stake in Coffee#1 from SA Brain, with SA Brain retaining 30%.

In 2022, The Nero Group completed its acquisition, gaining full ownership of Coffee#1. Since the acquisition, the company has continued to expand and strengthen its market position under the financial backing and expertise of The Nero Group.

Coffee#1 operates as a standalone brand alongside The Nero Group's other brands; Caffè Nero, Harris +Hoole and Aroma. Caffè Nero is the largest independent coffee house group in Europe, operating over 1,000 stores across 10 countries, employing over 5,500 people in the UK.

This strong growth trajectory, coupled with the stability and support of The Nero Group, makes Coffee#1 a secure and reliable covenant for potential investors.

## VAT

The property has been registered for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

## Proposal

We are instructed to seek a figure of **£478,000** (Four Hundred and Seventy-Eight Thousand Pounds), subject to contract, reflecting a net initial yield of **8.0%**, assuming purchasers' costs of 4.60%.

Please note that a purchaser will be re-charged the costs of the searches (£1,080.50) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of 1% of the Purchase Price plus VAT.

## Investment Considerations

1. An opportunity to acquire a well-secured coffee house chain investment;
2. Affluent South-East location and popular commuter town;
3. Let to Coffee#1 Limited, wholly owned by The Nero Group;
4. Recently let on new 10-year lease from January 2025;
5. Modern unit which has been fitted out to a high-quality specification;
6. Strong catchment, being situated below a luxury new build development, with a GDV of £40m, providing 129 residential dwellings;
7. A purchase at the asking price reflects an attractive net initial yield;
8. Attractive lot size to an investor;

## Singer Vielle Finance Services

Contact our team if you are seeking senior debt, bridging finance or development finance.

[Contact](#)

## Contacts

### Singer Vielle

 Singer Vielle

[+44 \(0\) 207 935 7200](tel:+44(0)2079357200)

Singer  
Vielle

 Dale Henry

[+44 \(0\) 203 701 1356](tel:+44(0)2037011356)

[dale@singervielle.co.uk](mailto:dale@singervielle.co.uk)

 Neil Singer

[+44 \(0\) 207 935 7200](tel:+44(0)2079357200)

[neil@singervielle.co.uk](mailto:neil@singervielle.co.uk)

### Joint Agency

 Cited

[+44 \(0\) 208 076 6666](tel:+44(0)2080766666)

 Josh Gettins

[+44 \(0\) 208 076 6666](tel:+44(0)2080766666)

[josh@cited.co.uk](mailto:josh@cited.co.uk)

 Ben Wood

[+44 \(0\) 208 076 6666](tel:+44(0)2080766666)

[ben@cited.co.uk](mailto:ben@cited.co.uk)



### Vendor's Solicitor Firm

 Sheet Anchor Properties Ltd

 Danielle Hall

[+44 \(0\) 776 677 6879](tel:+44(0)7766776879)

[danielle@evolvestates.com](mailto:danielle@evolvestates.com)

See website for full details : <https://singervielle.com>

## **Disclaimer**

This disclaimer applies to [www.singervielle.com](http://www.singervielle.com) (the “**Site**”) which is owned by Singer Vielle Limited (“**Singer Vielle**”) and operated under licence by Singer Vielle 2 LLP.

All Properties are listed subject to contract and the prices shown are exclusive of VAT if applicable.

© 2024 Singer Vielle Ltd